STATE OF NEW YORK DEPARTMENT OF AGRICULTURE AND MARKETS 10B Airline Drive, Albany, New York 12235 Phone 518-457-8876 Fax 518-457-3087 www.agriculture.ny.gov

Andrew M. Cuomo Governor

Darrel J. Aubertine Commissioner

Testimony by Jim Bays First Deputy Commissioner New York State Department of Agriculture and Markets Before the New York State Legislative Fiscal Committees

Good morning Chairman DeFrancisco, Chairman Farrell, Senator Ritchie, Assemblyman Magee, and members of the Fiscal and Agriculture committees.

My name is Jim Bays and I serve as First Deputy Commissioner of the New York State Department of Agriculture and Markets. On behalf of Commissioner Darrel Aubertine, I am pleased to present to you the 2013-14 Executive Budget for our Department.

The *new* New York is working for production agriculture, our food processing industry and consumers across the State. The Administration is working with farmers looking to expand for growing markets, reducing regulatory burdens and providing incentives to our agribusinesses and assuring New York residents have access to fresh, local farm products.

It's an exciting time to be at the Department of Agriculture and Markets, particularly because we have a Governor who treats agriculture like the business that it is. Commissioner Aubertine believes, and I fully agree, that in this Administration agriculture has a prominent seat at the table in state government. It is reflected in the Executive Budget, and helps to ensure that agriculture remains a key economic driver here in the Empire State.

The all funds budget for the Department is \$159.4 million. This funding allows us to fully maintain our wide ranging responsibilities, including food safety and inspection, agricultural economic development, and animal and plant health surveillance. It includes continued strong support for the New York State Veterinary Diagnostic Laboratory, Farm Family Assistance, Pro Dairy, Local Fairs, the New York State Wine and Grape Foundation and a variety of other programs important to New York agriculture.

This year's budget focuses on agriculture as an economic driver and encouraging and supporting the use of New York State products. For example, the Executive Budget includes \$2 million for Taste-NY, which combines tax-free sales at retail venues with aggressive branding and marketing. In high-traffic rest areas, train stations and airports across New York, the State will establish these "Taste-NY"-branded retail stores, carts, and next generation luxury vending machines to sell predominantly New York State products free of all sales tax to the consumer. In addition, the Executive Budget includes a new competitive grant program for regional tourism marketing - a direct outcome of the Yogurt and Dairy and Wine and Beer Summits hosted by the Governor this past year. These summits provided an opportunity to listen to industry as I have

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never seen before. At these summits, the Administration listened to industry, learned from industry and acted on behalf of the best interests of industry and New Yorkers as a whole.

To further support the New York state agricultural sector, the budget increases the threshold from \$50,000 to \$200,000 for discretionary purchases by State agencies of food grown, produced, harvested, manufactured or processed here in New York and provides funding for the evaluation and testing of hop varieties to increase the availability of locally grown hops here in New York.

In addition, it provides \$450,000 to build upon the success of the Governor's FreshConnect farmers' markets, which is helping to feed traditionally underserved and undernourished communities across the state. The FreshConnect program helps to maximize the purchasing power of the consumer: for every \$5 spent at a FreshConnect market, New Yorkers receive an additional \$2 incentive to purchase even more locally-grown fresh fruits and vegetables.

We also need to make sure that there is ample farmland to grow these important products and in support the Governor's proposed budget provides an increase of \$1 million in farmland protection funding for a total of \$13 million within the state Environmental Protection Fund.

The Budget also provides \$1.2 million in additional funding for a total of \$14.2 million to help farmers enhance their operations in environmentally friendly ways through the Agricultural Environmental Management and non point source pollution control programs.

The Budget recognizes that the Great New York State Fair is a true economic driver here in New York and especially in Central New York. It provides \$1 million in Capital funding in the Department's budget and an additional \$2.5 million in New York Works funding for State Fair infrastructure within the State Office of Parks, Recreation and Historic Preservation's budget. Newly appointed Fair Director Thomas Ryan is eager to get started on the Greatest Fair in the country and will work with our partners to make the 2013 New York State Fair the best one yet.

The Governor is not just demonstrating his support of agriculture in New York State through his Executive Budget proposal, but throughout the year by funding key agricultural projects. As many of you know, the Governor recently announced the latest round of economic development awards through his ten Regional Economic Development Councils, which included more than \$28 million in funding related to agriculture and the food industry.

These include awards to fund food distribution hubs in Madison County, the Finger Lakes Region and the Hudson Valley. There is also funding for a malting facility in Genesee County that will use locally grown barley – a must for our state's growing craft beer industry.

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In conclusion, we have consistently had a great partnership with you, our elected members of the Legislature. With our continued partnership, we will build a *new* New York and ensure a bright future for this state's agricultural sector.

Thank you.